

October 25, 2005

Commissioner Robert E. Nicolay, CPA
Chairman, Certificate of Need Program Task Force
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

VIA FACSIMILE: 410-358-1236

Dear Commissioner Nicolay:

Thank you for the opportunity to comment on the draft report. I have included both substantive and editorial comments. They are organized in the order of the draft report.

1. P. 7, recommendation #2. Reword the introductory phrase to read “The Task Force recommends the following changes to the scope of covered facilities and services:”
2. p. 8. I continue to be very concerned about the removal of home health from CON coverage. I believe that doing so is inconsistent with the guiding principles. There is a serious risk that unconstrained growth could lead to decreased access to care by vulnerable populations and a diminution of the quality of care. Perhaps the definition of need should be modified to allow for controlled growth by new entrants.
3. P. 10. Add a fourth bullet point to recommendation #1 regarding the revision of the state health plan to read “Be consistent with the guiding principles.”
4. P. 10. I agree that there are a number of obsolete and redundant standards in the acute care chapter of the state health plan. However, I am concerned about eliminating several of these, particularly given the fact that we never discussed them. Specifically:
 - a. 06A(5) Charity Care Policy – should not be eliminated. It should be modified to require hospitals to describe their charity care programs, consistent with the guiding principles.
 - b. 06A(6) Compliance with Quality Standards – should not be eliminated. It should be modified to require hospitals to describe their quality management programs, consistent with the guiding principles.

- c. 06A(19) Minimum Size for Pediatric Unit – this standard relates to an issue of appropriate care settings for children. I do not think it should be eliminated without clinical review.
 - d. 06B(2) Duplication of Services and Adverse Impact – the recommendation from the Maryland Hospital Association was to eliminate only 06B(2)(a). The draft report mistakenly recommends eliminating the entire standard. Only 06B(2)(a) should be eliminated.
 - e. 06C(3) Conditions for Approval – there are components of this standard that are not redundant. It should be modified as part of the revision of the Acute Inpatient Services chapter. It should not be eliminated.
- 5. P. 10, #2, second bullet point. The recommendation regarding shell space should not be tied to the revision of the Acute Inpatient Services chapter. It can be implemented immediately.
 - 6. P. 11 #3. The recommendation regarding the 140% rule should read, “The Task Force recommends that the Commission study alternatives to eliminate the inconsistency between the 140% rule for establishing licensed acute care bed capacity and the State Health Plan occupancy assumptions. A technical advisory group should be formed by the Commission with representatives from the Maryland Hospital Association, major payers, and other interested organizations.”
 - 7. Finally, I believe all of the recommendations in the report would be stronger if they included a rationale. While the information may be available in the minutes, it is not practical for the reader to find it. This report needs to stand on its own so that the Commissioners and others who read it can fully appreciate the thoughtfulness of the recommendations.

Thank you for the opportunity to comment on this draft report.

Sincerely,

Annice Cody
Vice President, Planning and Marketing